

MINUTES

MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN BOB DEPRATU**, on April 3, 2003 at 9:02 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Bob DePratu, Chairman (R)
Sen. Bob Story Jr., Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. John C. Bohlinger (R)
Sen. Jim Elliott (D)
Sen. Bill Glaser (R)
Sen. Dan Harrington (D)
Sen. Walter McNutt (R)
Sen. Mike Taylor (R)
Sen. Ken Toole (D)

Members Excused: Sen. Jon Ellingson (D)

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Shirley Herrin, Committee Secretary

Video-taped Committee: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. A video-taped recording of the meeting is available from the Montana Historical Society.

Committee Business Summary:

Hearing & Date Posted: HB 713, 4/2/2003; HB 748, 4/2/2003
Executive Action: HB 452, HB 713, HB 721, HB 539

HEARING ON HB 713

Opening Statement by Sponsor:

9:03 **REP. DANIEL FUCHS, HD 15, Billings,** "Income tax amnesty program for individuals and corporations".

Proponents' Testimony:

9:04 Mary Whittinghill, MT Taxpayers Assoc.

Opponents' Testimony: None

Informational Witnesses:

9:05 Kurt Alme, Director, Department of Revenue. He presented conceptual amendments **EXHIBIT (tas71a01)**.

Questions from Committee Members and Responses:

9:11 Begin
9:26 Ended
15 min Time elapsed

Closing by Sponsor:

9:26 **REP. FUCHS** closed on HB 713.

HEARING ON HB 748

Opening Statement by Sponsor:

9:27 **REP. RONALD DEVLIN, HD 3, Terry** "Simplification of oil and natural gas tax distribution".

Proponents' Testimony:

9:30 William Duffield, MT Oil, Gas and Coal Counties
EXHIBIT (tas71a02)
9:34 Bob Gilbert, Rosebud County, City of Colstrip
9:35 Dave Puyear, MT Rural Education Association
9:36 Gordon Morris, MACo
9:37 Gary Amestoy, Richland County Economic Development
9:37 Chad Fenner, Big Horn County Commissioner
9:37 Charles Brooks, Yellowstone County **EXHIBIT (tas71a03)**
A letter was received from the Phillips County
Commissioners in support of HB 748 **EXHIBIT (tas71a04)**

Opponents' Testimony: None

Informational Witnesses:

9:38 Curt Nichols, Governor's Budget Office

Questions from Committee Members and Responses:

9:39 Begin
9:50 Ended
11 min Time elapsed.

Closing by Sponsor:

9:50 **REP. DEVLIN** closed on HB 748. He submitted a phase out chart **EXHIBIT(tas71a05)**

EXECUTIVE ACTION ON HB 748

9:53 **Motion:** SEN. ELLIOTT moved that HB 748 BE CONCURRED IN. Lee Heiman explained that HB 604 distributes money to the flexibility account in a section that is being repealed by HB 748. After a brief discussion SEN. ELLIOTT moved to postpone executive action on HB 748 until Lee Heiman could draft an amendment. CHAIRMAN DEPRATU announced they would continue Executive Action on HB 748 next week.

EXECUTIVE ACTION ON HB 452

10:02 **Motion:** SEN. STORY moved that HB 452 BE CONCURRED IN. He then moved amendments HB045201.alh. **EXHIBIT(tas71a06)** Lee Heiman explained the amendments. **Vote:** The motion on the amendments carried unanimously with ELLINGSON voting by proxy.

10:05 **Motion/Vote:** SEN. STORY moved that HB 452 BE CONCURRED IN AS AMENDED. Motion carried 9-2 with GLASER and HARRINGTON voting no. ELLINGSON voted aye by proxy.

EXECUTIVE ACTION ON HB 713

10:07 The committee discussed the pros and cons of passing a tax amnesty bill at this time.

10:12 **Motion:** SEN. BLACK moved that HB 713 BE CONCURRED IN.

Discussion:

10:12 Begin
10:15 SEN. ELLIOTT moved a conceptual amendment which would re-insert the stricken language on page 3, lines 10 through 12 of the bill.

10:16 Discussion continued.

10:19 **Vote:** Motion on SEN. ELLIOTT'S conceptual amendment carried 6-5 with DEPRATU, GLASER, MCNUTT, TAYLOR and STORY voting no. ELLINGSON voted aye by proxy. Roll Call Vote No. 1

Discussion:

10:20 Begin

10:27 Ended

7 min Time elapsed.

10:27 **Motion/Vote:** SEN. BLACK moved that HB 713 BE CONCURRED IN AS AMENDED. Motion carried 6-5 with DEPRATU, ELLINGSON, ELLIOTT, HARRINGTON, and TOOLE voting no. Roll Call Vote No. 2.

EXECUTIVE ACTION ON HB 721

10:31 **Motion:** SEN. ELLIOTT moved that HB 721 BE CONCURRED IN. He then moved amendment 1HB072101.alh **EXHIBIT**(tas71a07). An information sheet was submitted on HB 721 by the Department of Revenue **EXHIBIT**(tas71a08).

10:31 **Vote:** The motion on the amendment carried unanimously with ELLINGSON voting by proxy.

10:33 **Motion:** SEN. ELLIOTT moved that HB 721 BE CONCURRED IN AS AMENDED.

Discussion:

10:34 Begin

10:40 Ended

6 min Time elapsed.

10:41 **Vote:** Motion that HB 721 BE CONCURRED IN AS AMENDED CARRIED 8-3 with ELLINGSON and HARRINGTON voting by proxy. GLASER and STORY voted no and MCNUTT voted no by proxy.

EXECUTIVE ACTION ON HB 539

10:44 **Motion:** SEN. BOHLINGER moved that HB 539 BE CONCURRED IN. **Motion:** SEN. STORY moved that HB 539 BE AMENDED HB053901.alh **EXHIBIT**(tas71a09). The motion on the

amendment carried unanimously with ELLINGSON,
HARRINGTON and MCNUTT voting by proxy.

10:45

Motion/Vote: SEN. BOHLINGER moved that HB 539 BE
CONCURRED IN AS AMENDED. Motion carried 10-1 with
ELLINGSON and MCNUTT voting aye by proxy and
HARRINGTON voting no by proxy.

ADJOURNMENT

Adjournment: 10:50 A.M.

SEN. BOB DEPRATU, Chairman

SHIRLEY HERRIN, Secretary

BD/SH

EXHIBIT (tas71aad)